

Overqualified and unemployed

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Landing a job, let alone a good one, is becoming more difficult by the day. [Sherine Nasr](#) investigates why it seems that the shortest route to unemployment is a university degree

It is difficult to judge whether the 600,000 new graduates joining the labour market every year in this country is a blessing or a curse. What is certain is that young people geared towards obtaining a university degree should reconsider their priorities; if their ultimate goal is a decent job after graduation rather than a prestigious social standing, then academic education is probably not the best path to follow.

In recent years, very drastic changes have occurred in the labour market, many of which need to be studied carefully if new policies addressing certain problems are to be effective. Although unemployment rates declined to 8.3 per cent in 2006 compared to 11.7 per cent in 1998, the fact remains that two million Egyptians were unemployed in 2007, according to official statistics by a number of Egyptian organisations. Notably, the highest rate of unemployment is among fresh university graduates, estimated at 70 to 80 per cent.

"This fact should be underlined because it points to the lack of demand-driven education in our society," said Assem Ragab, chairman of the General Authority for Investment and Free Zones (GAFI) during a seminar entitled "Towards Decent Work in Egypt" held in Cairo on 24 June. Organised under the auspices of the Ministry of Investment, in collaboration with a number of donor agencies working in Egypt, the seminar aimed at sharing experiences on the best ways to invest in human capital.

According to Ragui Assaad, of the Population Council, 82 per cent of the unemployed in Egypt are under the age of 30 and 92 per cent have a secondary education. At the same time, university graduates as a category face the highest unemployment rates. "Although there has been an increase in educational attainment in Egypt, this has not translated into better quality jobs," commented Assaad. He added that there has been too little growth in the formal private sector to make up for the decline in opportunities in the public sector.

For that reason and others, the number of good jobs for the better educated is fewer while poor jobs for educated youth, especially women, have climbed. Today, only 27 per cent of new entrants in the job market who are more educated obtain formal employment in their first job, compared to 40 per cent in 1980. "In other words," explained Assaad, "the more educated are increasingly receiving informal job opportunities."

So, while the quantity of jobs is believed to have increased, the quality remains questionable. In terms of decent work by international standards, it is noticeable that not all those who are actually employed in Egypt have decent work. The International Labour Organisation's (ILO) definition of "decent work" is "the opportunity for women and men to obtain decent and productive work in conditions of freedom and equality". The criteria include making adequate income, enjoying decent hours, stability and security of work, fair employee treatment, a safe work environment, social protection, a paid annual leave and a paid sick leave.

Examining the quality of education in Egypt poses more critical questions on the future of young graduates. According to Abdel-Karim Kebiri, senior specialist at the ILO, Egypt ranks 130 out of 131 countries in the World Competitive Report 2008 where labour efficiency is concerned. In the same report, Egypt came at 108 with regards to the quality of the education system, the 106th in terms of the quality of school management, and ranked 80th in the availability of research and training services.

Kebiri noted that while Egypt prides itself in being the top reformer in the region -- according to the 2008 World Bank Doing Business Report for taking effective measures to facilitate procedures for starting new businesses -- "the same report, [there is] nothing mentioned in relation to measures taken to employing workers in Egypt."

Experts in the field of human resources believe that an immediate shift from academic to vocational education is a must if the young are ever to have more opportunities and, hence, eliminate unemployment. However, many cultural issues and traditional trends promoting the superiority of academic education over vocational education will make the shift all the more difficult. The irony lies in the fact that despite the high unemployment rate and a flood of new graduates onto the labour market every year, many businesses complain of a lack of skilled labour to fill vacancies in a variety of sectors such as IT, services and construction.

According to Minister of Manpower Aisha Abdel-Hadi, Egypt has always exported skilled labour to Gulf states. "As a matter of fact, cheap skilled labour has been one of the competitive advantages of this country," stated Abdel-Hadi. She added that training programmes for export labour are now being carried out in collaboration with the Ministry of Foreign Trade and Industry.

"The aim is to provide skillful manpower to stand on an equal footing with expensive labour from other countries," Abdel-Hadi explained.